

This paragraph shall not apply for purposes of section 105(b) with respect to reimbursements through insurance."

(3) Paragraph (6) of section 213(d) is amended—

(1) by striking "subparagraphs (A) and (B)" and inserting "subparagraphs (A), (B), and (C)". and

(2) by striking "paragraph (1)(C)" in subparagraph (A) and inserting "paragraph (1)(D)".

(4) Paragraph (7) of section 213(d) is amended by striking "subparagraphs (A) and (B)" and inserting "subparagraphs (A), (B), and (C)".

26 USC 162 note. (c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 323. REPORTING REQUIREMENT

(a) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 is amended by adding at the end the following new section:

SEC. 6050Q. CERTAIN LONG-TERM CARE BENEFITS.

"(a) REQUIREMENT OF REPORTING.—Any person who pays long-term care benefits shall make a return according to the forms or regulations prescribed by the Secretary, setting forth—

"(1) the aggregate amount of such benefits paid by such person to any individual during any calendar year.

"(2) whether or not such benefits are paid in whole or in part on a per diem or other periodic basis without regard to the expenses incurred during the period to which the payments relate,

"(3) the name, address, and TIN of such individual, and

"(4) the name, address, and TIN of the chronically ill or terminally ill individual on account of whose condition such benefits are paid.

"(b) STATEMENTS TO BE FURNISHED TO PERSONS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required to be set forth in such return a written statement showing—

"(1) the name of the person making the payments, and

"(2) the aggregate amount of long-term care benefits paid to the individual which are required

to be shown on such
return.

The written statement required under the
preceding sentence shall
be furnished to the individual on or
before January 31 of the
year following the calendar year for which
the return under sub-
section (a) was required to be made.

"(c) LONG-TERM CARE BENEFITS.—For
purposes of this section,
the term long-term care benefit means—

"(1) any payment under a product
which is advertised,
marketed, or offered as long-term care
insurance, and

"(2) any payment which is
excludable from gross income
by reason of section 101(g)."

(b) PENALTIES.—

(1) Subparagraph (B) of section
6724(d)(1) is amended by
redesignating clauses (ix) through (xiv)
as clauses (x) through
(xv), respectively, and by inserting after
clause (viii) the follow-
ing new clause:

"(ix) section 6050Q (relating
to certain long-term
care benefits),".